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8 Attorneys for Defendant and Counter-Claimant,
jWIN ELECTRONICS CORP. dba iLuv Creative Technology
9 (erroneously sued as jWIN Electronics Corporation d/b/a/ ILUV)

10 **UNITED STATES DISTRICT COURT**
11 **NORTHERN DISTRICT OF CALIFORNIA**
12 **SAN FRANCISCO**

13 INCASE DESIGNS, INC.

14 Plaintiff,

15 v.

16 jWIN ELECTRONICS CORP.
17 d/b/a/ iLuv Creative Technology
18 (erroneously sued as jWIN
Electronics Corporation d/b/a/ ILUV),

19 Defendant.
20

CASE NO.: 3:13-CV-00610-RS

**DEFENDANT jWIN ELECTRONICS
CORP.'S AMENDED ANSWER,
AFFIRMATIVE DEFENSES, AND
COUNTERCLAIMS TO PLAINTIFF
INCASE DESIGNS, INC.'S FIRST
AMENDED COMPLAINT FOR
PATENT INFRINGEMENT**

21 jWIN ELECTRONICS CORP.
22 d/b/a/ iLuv Creative Technology

23 Counter-Claimant,

24 v.

25 INCASE DESIGNS, INC.

26 Counter-Defendant.
27

DEMAND FOR JURY TRIAL

**Assigned to the
Honorable Judge Richard Seeborg
Courtroom 3 - 17th Floor**

1 Defendant and Counter-Claimant jWIN Electronics Corp. (erroneously sued
2 as jWIN Electronics Corporation d/b/a/ ILUV) (hereinafter “jWIN”) by and
3 through its undersigned counsel hereby sets forth its Answer, Affirmative
4 Defenses, and Counterclaims to the First Amended Complaint (“FAC”) of Plaintiff
5 and Counter-Defendant Incase Designs, Inc. (hereinafter “Incase”).

6 **ANSWER**

7 jWIN denies each and every averment set forth in the FAC except for those
8 averments expressly and specifically admitted below. jWIN also specifically
9 denies each and every averment of patent infringement set forth in the FAC. With
10 respect to each of the numbered paragraphs of the FAC, jWIN responds as follows:

11 **NATURE OF ACTION**

12 1. jWIN admits that Plaintiff’s allegations of patent infringement
13 purport to arise under Title 35 of the United States Code, but denies that such
14 allegations are meritorious. jWIN denies that Plaintiff is entitled to a
15 preliminary and permanent injunction and monetary damages for the infringement
16 of U.S. Patent Nos. 8,312,991 B2 and No. 8,328,008.

17 **JURISDICTION AND VENUE**

18 2. Admitted.

19 3. jWIN admits that Incase purports to bring its claims in the FAC under
20 the Patent Laws of the United States 35 U.S.C. *et seq.* jWIN further admits that this
21 Court has jurisdiction over the subject matter of claims made by Incase in its FAC.
22 Except as expressly admitted, jWIN denies each and every remaining allegation
23 made in Paragraph 3 of the FAC.

24 4. Without admitting that it is necessarily proper or convenient, for the
25 purposes of this action, jWIN does not contest that venue is permissible under 28
26 U.S.C. §§ 1391 and 1400. Except as expressly admitted, the remainder of the
27 allegations contained in Paragraph 4 of the FAC are denied.

28 **THE PARTIES**

***JWIN’S AMENDED ANSWER
TO FIRST AMENDED COMPLAINT***

1 5. jWIN lacks knowledge or information sufficient to form a belief as to
2 the truth of the allegations contained in Paragraph 5 of the FAC and, on that basis,
3 denies the same.

4 6. jWIN admits that it is a New York Corporation located at 2 Harbor
5 Park Drive, Port Washington, New York 11050. Except as expressly admitted, the
6 remainder of the allegations contained in Paragraph 6 of the FAC are denied.

7 **FIRST CLAIM FOR RELIEF**

8 **(Infringement of the '991 Patent)**

9 7. jWIN incorporates by reference its answers to Paragraphs 1 through 6
10 to the FAC as if fully set forth herein.

11 8. jWIN denies each and every allegation made in Paragraph 8 of the
12 FAC.

13 9. jWIN denies each and every allegation made in Paragraph 9 of the
14 FAC.

15 10. jWIN denies each and every allegation made in Paragraph 10 of the
16 FAC.

17 11. jWIN denies each and every allegation made in Paragraph 11 of the
18 FAC.

19 **SECOND CLAIM FOR RELIEF**

20 **(Infringement of the '008 Patent)**

21 12. jWIN incorporates by reference its answers to Paragraphs 1 through 6
22 to the FAC as if fully set forth herein.

23 13. jWIN denies each and every allegation made in Paragraph 13 of the
24 FAC.

25 14. jWIN denies each and every allegation made in Paragraph 14 of the
26 FAC.

27 15. jWIN denies each and every allegation made in Paragraph 15 of the
28 FAC.

**JWIN'S AMENDED ANSWER
TO FIRST AMENDED COMPLAINT**

1 16. jWIN denies each and every allegation made in Paragraph 16 of the
2 FAC.

3 **RESPONSE TO INCASE'S PRAYER FOR RELIEF**

4 17. jWIN denies that Incase is entitled to any relief whatsoever, including
5 any relief requested in Paragraphs 1 through 8 of the Prayer for Relief portion of
6 the FAC.

7 **AFFIRMATIVE DEFENSES**

8 jWIN incorporates by reference the foregoing paragraphs in their entirety
9 and asserts the following Defenses. By asserting these defenses, jWIN does not
10 admit that it bears the burden of proof on any issue and does not accept any burden
11 it would not otherwise bear. jWIN reserves the right to amend this Answer with
12 additional defenses as further information becomes available through discovery.

13 **FIRST AFFIRMATIVE DEFENSE**

14 **(Non-Infringement)**

15 18. jWIN has not infringed and does not infringe, literally or under the
16 doctrine of equivalents, directly or indirectly, any valid and enforceable claim of
17 the '991 and '008 Patents.

18 **SECOND AFFIRMATIVE DEFENSE**

19 **(Invalidity)**

20 19. Each and every claim of the '991 and '008 Patents is invalid for
21 failing to satisfy the conditions for patentability set forth in Title 35 of the United
22 States Code, including, without limitation, the requirements of 35 U.S.C. §§ 101,
23 102, 103 and 112.

24 **THIRD AFFIRMATIVE DEFENSE**

25 **(Failure to State a Claim)**

26 20. One or more of the claims in Plaintiff's FAC fails to state a claim
27 upon which relief can be granted.

28 **FOURTH AFFIRMATIVE DEFENSE**

***JWIN'S AMENDED ANSWER
TO FIRST AMENDED COMPLAINT***

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1 **(Equitable Defenses)**

2 21. Plaintiff's claims for relief are barred, in whole or in part, by the
3 doctrines of waiver, laches, estoppel, unclean hands, or other applicable equitable
4 doctrines.

5 **FIFTH AFFIRMATIVE DEFENSE**

6 **(Limitations on Damages)**

7 22. Plaintiff's claims for relief and prayer for damages are barred under
8 35 U.S.C. § 286, 287, 288, and/or by laches.

9 **SIXTH AFFIRMATIVE DEFENSE**

10 **(Prosecution History Estoppel)**

11 23. Plaintiff is barred from recovery in whole or in part by the doctrine of
12 prosecution history estoppel.

13 **SEVENTH AFFIRMATIVE DEFENSE**

14 **(License, Patent Exhaustion)**

15 24. Plaintiff's claim for patent infringement are precluded in whole or in
16 part (i) to the extent that any allegedly infringing jWIN products or components
17 thereof are imported, sold by, offered for sale by, made by, or made for, any entity
18 having an express or implied license to '991 and '008 Patents; and/or (ii) under the
19 doctrine of patent exhaustion.

20 **EIGHTH AFFIRMATIVE DEFENSE**

21 **(Intervening Rights)**

22 25. Plaintiff's claims for relief and prayer for damages are barred in
23 whole or in part by the doctrines of absolute and/or equitable intervening rights.

24 **NINTH AFFIRMATIVE DEFENSE**

25 **(Lack of Standing)**

26 26. On information and belief, and thereupon so alleged, Incase lacks
27 standing to assert infringement of '991 and/or '008 patents because it was not the
28 legal or equitable owner of said patents and/or it did not have all substantial rights

**JWIN'S AMENDED ANSWER
TO FIRST AMENDED COMPLAINT**

1 in the '991 and/or '008 at the time the suit was filed.

2 **TENTH AFFIRMATIVE DEFENSE**

3 **(Lack of Marking)**

4 27. jWIN is informed and believes, and based thereon alleges that
5 Incase's purported claims for relief concerning the '991 and '008 patents are
6 limited by the failure to comply with the marking and notice requirements of 35
7 U.S.C. § 287.

8 **ELEVENTH AFFIRMATIVE DEFENSE**

9 **(Patent Misuse)**

10 28. jWIN is informed and believes, and based thereon alleges, that
11 Incase's claims are barred in whole or in part by the doctrine of patent misuse.

12 **jWIN's COUNTERCLAIMS**

13 By way of counterclaims, Defendant and Counter-Claimant jWIN
14 Electronics Corp. ("jWIN") complains and alleges against Plaintiff and Counter-
15 Defendant Incase Designs Inc. ("Incase " or "Plaintiff") as follows:

16 **NATURE OF ACTION**

17 1. This is a Declaratory Judgment action for a declaration of
18 noninfringement, invalidity, and unenforceability of U.S. Patent No. 8,312,991
19 ("the '991 Patent") and U.S. Patent No. 8,328,008 ("the '008 Patent").

20 2. jWIN is a New York corporation with its principal place of business at
21 2 Harbor Park Drive, Port Washington, New York 11050.

22 3. Based on information and belief, Incase Designs Corporation is a
23 California corporation with its headquarters and principal place of business at
24 14351 Pipeline Avenue, Chino, California 91710.

25 4. On February 25, 2013, Incase filed its First Amended Complaint
26 alleging that jWIN infringes the '991 and '008 Patents.

27 5. jWIN denies infringement, and disputes the validity and enforceability
28 of one or more claims of the '991 and '008 Patents.

***JWIN'S AMENDED ANSWER
TO FIRST AMENDED COMPLAINT***

Case No. 3:13-CV-00610-RS

1 14. jWIN hereby realleges and incorporates by reference paragraphs 1
2 through 13 of the Counterclaims as though fully set forth herein.

3 15. Incase has asserted that jWIN infringes the '991 Patent. Thus, an
4 actual, justiciable controversy exists between Incase and jWIN concerning the
5 validity of this patent.

6 16. One or more claims of the '991 Patent that is allegedly infringed by
7 jWIN are invalid for failure to comply with one or more of the conditions of
8 patentability set forth in Title 35 of the United States Code including, for example,
9 Sections 101, 102, 103 and/or 112.

10 17. Pursuant to Federal Rule of Civil Procedure 57 and 28 U.S.C. §§ 2201
11 et seq., jWIN is entitled to a declaratory judgment that one or more claims of the
12 '991 patent are invalid.

13 **COUNTERCLAIM III**

14 **(Declaration of Non-Infringement '008 Patent)**

15 18. jWIN hereby realleges and incorporates by reference paragraphs 1
16 through 8 of its Counterclaims as though fully set forth herein.

17 19. The '008 Patent was issued by the United States Patent and
18 Trademark Office. Incase claims to own all rights in and to this patent.

19 20. Incase has asserted that jWIN infringes the '008 Patent. Thus, an
20 actual, justiciable controversy exists between Incase and jWIN concerning the
21 infringement of this patent.

22 21. jWIN is not now infringing and has not infringed, literally or under
23 the doctrine of equivalents, and directly or indirectly, any valid claim of the '008
24 Patent.

25 22. Pursuant to Federal Rule of Civil Procedure 57 and 28 U.S.C. §§ 2201
26 et seq., jWIN is entitled to a declaratory judgment that it does not infringe and has
27 not infringed the '008 Patent.

28 **COUNTERCLAIM IV**

***JWIN'S AMENDED ANSWER
TO FIRST AMENDED COMPLAINT***

Case No. 3:13-CV-00610-RS

1 **(Declaration of Invalidity of the '008 Patent)**

2 23. jWIN hereby realleges and incorporates by reference paragraphs 1
3 through 13 of the Counterclaims as though fully set forth herein.

4 24. Incase has asserted that jWIN infringes the ' 008 Patent. Thus, an
5 actual, justiciable controversy exists between Incase and jWIN concerning the
6 validity of this patent.

7 25. One or more claims of the '008 Patent that is allegedly infringed by
8 jWIN are invalid for failure to comply with one or more of the conditions of
9 patentability set forth in Title 35 of the United States Code including, for example,
10 Sections 101, 102, 103 and/or 112.

11 26. Pursuant to Federal Rule of Civil Procedure 57 and 28 U.S.C. §§ 2201
12 et seq., jWIN is entitled to a declaratory judgment that one or more claims of the
13 '008 patent are invalid.

14 **EXCEPTIONAL CASE**

15 27. This is an exceptional case entitling jWIN to an award of attorneys'
16 fees incurred in connection with this action pursuant to 35 U.S.C. § 285.

17 **DEMAND FOR JURY TRIAL**

18 28. Pursuant to Rule 38(b) of the Federal Rules of Civil Procedure,
19 Defendant and Counter-claimant jWIN demands a trial to jury of this action.

20 **PRAYER FOR RELIEF**

21 WHEREFORE, jWIN respectfully requests a judgment against Incase as
22 follows:

23 A. That Incase takes nothing by its First Amended Complaint in this
24 action;

25 B. Incase's First Amended Complaint in this action be dismissed in its
26 entirety with prejudice;

27 C. That the Court enter a declaratory judgment that jWIN does not
28 infringe and has never infringed U.S. Patent Nos. 8,321,991 and 8,328,008;

**JWIN'S AMENDED ANSWER
TO FIRST AMENDED COMPLAINT**

1 D. That the Court enter a declaratory judgment that the asserted claims of
2 U.S. Patent Nos. 8,321,991 and 8,328,008 are invalid and void;

3 E. That the Court declare this an exceptional case and award jWIN its
4 costs, expenses, and reasonable attorneys' fees pursuant to 35 U.S.C. § 285 and all
5 other applicable statutes, rules, and common law; and

6 F. That the Court award jWIN any and all other relief to which it may be
7 entitled, or which the Court deems just and proper.

8 Respectfully submitted.

9 **HANDAL & ASSOCIATES**

10
11 Dated: April 1, 2013

By: /s/Pamela C. Chalk
Anton N. Handal
Pamela C. Chalk
Gabriel G. Hedrick
Attorneys for Defendant
And Counter-Claimant
jWIN Electronics Corp.

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I declare under penalty of perjury of the laws of the United States that the foregoing is true and correct. Executed this 1st day of April, 2013 at San Diego, California.

Dated: April 1, 2013

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